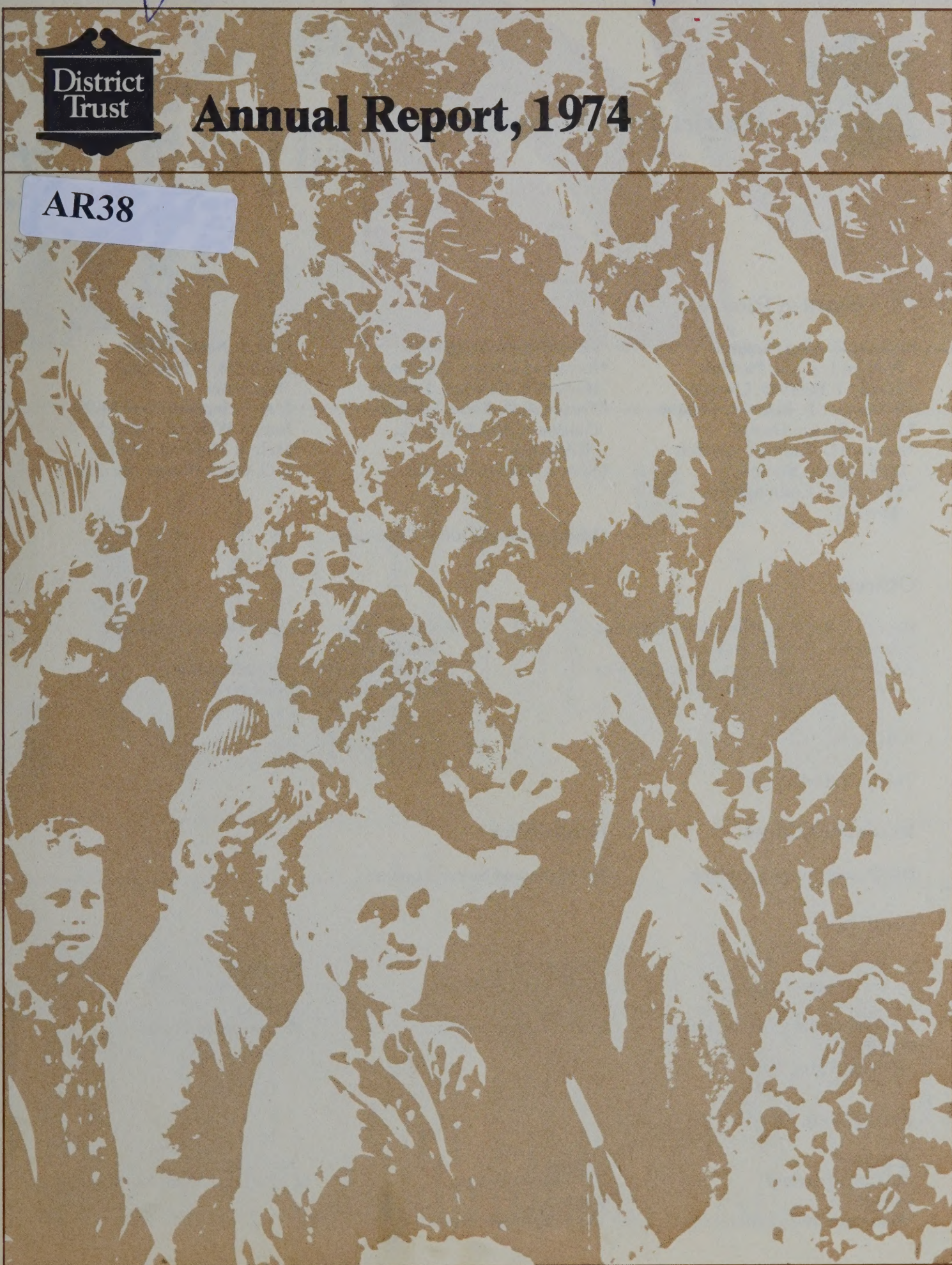




Canopy

# Annual Report, 1974

AR38







## District Trust Company

### 1974 Board of Directors

\*Robert C. Allen, London  
William J. Amos, Parkhill  
\*Bentley I. Baldwin, London  
\*William C. P. Baldwin, London  
\*Sidney Brown, Guelph  
\*Norman G. Burdick, London  
Dick Corner, Elmira  
\*Kenneth L. Cunningham,  
London

Lyle H. Gray, Ridgetown  
\*Raymond J. Hare, Kitchener  
Howard L. Hayman, London  
\*Frederick O. Kime, London  
Gordon A. Mackay, Q.C.,  
Kitchener  
\*John A. McNee, London

John B. Nash, London  
Frederick P. Schneider,  
Kitchener  
J. A. Stringham, Don Mills  
Joseph Wolfond, Guelph  
\*Melvyn Wolfond, Guelph  
J. G. Clark Wright, Strathroy

\*Members of Executive Committee

### Officers

Bentley I. Baldwin, Chairman of the Board  
Raymond J. Hare, President  
Kenneth L. Cunningham, Executive Vice-  
President and General Manager

Robert C. Allen, Assistant General Manager  
and Secretary  
Douglas J. Petch, Assistant Secretary  
Ronald R. Bobbie, Treasurer

### Auditors

Thorne Riddell & Co.

### Executive Offices

200 Queens Avenue, London

### Head Office

484 Richmond Street, London

### Branches

Elmira  
24 Arthur Street South  
Guelph  
Wellington and Gordon Streets  
Kitchener  
259 King Street West

London Main  
484 Richmond Street  
London Market  
15 Covent Market Place

Strathroy  
26 Front Street  
Toronto  
65 Queen Street West

### Real Estate Services

Brantford  
233 Colborne Street  
Guelph  
Wellington and Gordon Streets

London  
370 Queens Avenue  
Kitchener  
780 King Street West

Strathroy  
12 Caradoc Street North



## Report To Shareholders

In our last interim report Bentley I. Baldwin, Chairman of the Board announced my appointment as President of District Trust Company. Therefore this is my first opportunity to comment on the activities of the Company.

Your Board of Directors has adopted a policy which places emphasis on growth. The accompanying financial statements for the six months ended April 30, 1973, bear evidence of the success of this program. You will note that total assets have increased 67.7% in the past year and are now over \$43,000,000.

Significant growth of this nature tends to have an effect on earnings in the short run. However, the sound foundation resulting will yield increased future earnings.

Branch expansion is an integral part of District Trust philosophy and I am pleased to announce that a full service branch will be opened in Elmira, Ontario in mid-September. Plans are also underway for further branch expansion in the near future.

District Trust Company has been actively engaged in acquiring income-producing real properties through its wholly-owned subsidiary, District Development Corporation, and its unique Real Estate Retirement Savings Fund. In the past six months, properties have been purchased throughout Ontario in such centres as Ottawa, Cambridge, London, Guelph, Harriston, Woodstock and Elmira, representing a total investment of approximately \$840,000.

It is my pleasure to announce the appointment of Frederick P. Schneider to the Board of Directors. Mr. Schneider is Chairman of the Board of J.M. Schneider Limited, Kitchener, Ontario. We welcome him as a valued asset to our Board. On behalf of the Company, I would like to express sincere appreciation to Bentley I. Baldwin for his many years of valued service as President of District Trust. We are fortunate to have his continued counsel as Chairman of the Board.

Respectfully submitted,  
Raymond J. Hare  
President.

June 22, 1973

## AR38

### DISTRICT TRUST COMPANY OFFERS YOU THESE SERVICES

Guaranteed Investment Certificates.

First Mortgage Loans — Residential, Commercial, Industrial.

Personal Loans.

Real Estate Sales — Residential, Commercial, Multi-Family.

Real Estate Appraisals and Property Management.

Trustee — Corporate and personal.

Estate Planning.

Executor and Administrator Services.

Investment Management.

Registered Retirement Savings Plans for Individuals.

Chequing Accounts — No service charges on cheques.

Deposit Accounts — High interest on minimum monthly balance compounded half-yearly.

Prepaid Deposit by Mail.

Safety Deposit Boxes.

### OFFICES TO SERVE YOU

#### LONDON

Head Office — 672-0610  
484 Richmond Street 434-6024  
Covent Market Building 672-9080  
370 Queens Ave — Real Estate

#### STRATHROY

26 Front Street 245-1090  
12 Caradoc Street — Real Estate 245-3322

#### GUELPH

Wellington and Gordon Street 821-2160

#### KITCHENER

780 King Street West 579-4020

#### TORONTO

65 Queen Street West 363-1563

# District Trust Company

Report for the Six Months Ended April 30, 1973

## HIGHLIGHTS

	1973	1972	percent increase
Total Assets	\$43,506,466.	\$25,947,639	67.7
Deposits and borrowings	39,840,210.	23,169,221.	72.0
First mortgage loans	32,884,732.	20,265,818	62.3
Gross revenue	1,837,187.	1,118,638.	64.2
Net Earnings	22,635.	62,118.	(63.6)





**District Trust Company**  
**Balance Sheet — April 30, 1973**  
(unaudited)

Assets	1973	1972
Cash, including short term deposits	\$ 5,805,063.	\$ 1,868,014.
Investment Securities (note 1)	3,321,903.	2,068,002.
Bonds	279,862.	863,328.
Stocks	3,601,765.	2,931,330.
<b>Loans and Advances</b>		
Mortgages	32,884,732.	20,265,818.
Loans on securities	253,858.	153,633.
Personal Loans	141,637.	44,413.
Advances to estates, trusts and agencies	15,700.	—
	33,295,927.	20,463,864.
Investment in and Advances to District Development Corporation	62,992.	—
Rental Properties	541,102.	569,729.
Fixed Assets at cost less accumulated depreciation	173,866.	111,086.
Other Assets	25,751.	3,616.
	<u>\$43,506,466.</u>	<u>\$25,947,639.</u>
<b>Liabilities</b>		
Deposits and Borrowings		
Deposits	\$ 6,401,532.	\$ 4,716,600.
Short term certificates	249,070.	548,813.
Guaranteed investment certificates	33,189,608.	17,903,808.
	39,840,210.	23,169,221.
<b>Other Liabilities</b>		
Bank advances	200,000.	150,000.
Accounts payable and accrued liabilities	247,506.	192,594.
Income taxes payable	31,061.	46,269.
Mortgage payable	18,734.	338,823.
	497,301.	727,686.
Deferred income taxes	92,100.	22,600.
<b>Shareholders' Equity</b>		
Capital Stock	2,389,470.	1,600,000.
Contributed Surplus	379,436.	182,069.
General Reserve	150,000.	78,000.
Retained Earnings	157,949.	168,063.
	3,076,855.	2,028,132.
	<u>\$43,506,466.</u>	<u>\$25,947,639.</u>

**Statement of Earnings and Retained Earnings**  
**Six months ended April 30, 1973**  
(unaudited)

Income	1973	1972
Interest from mortgages	\$ 1,383,103.	\$ 900,867.
Other mortgage revenue	35,150.	24,883.
Interest from other loans	15,465.	9,250.
Interest and dividends on investment securities	266,160.	102,015.
Real estate commissions	97,624.	55,654.
Estate, trust and agency fees	24,130.	14,217.
Other operating income	5,917.	12,369.
Income from rental properties	9,638.	617.
	<u>1,837,187.</u>	<u>1,119,872.</u>
<b>Expenses</b>		
Interest on deposits and borrowings	1,333,944.	727,298.
Salaries and staff benefits	200,244.	162,007.
Premises expenses	42,680.	26,658.
Other operating expenses	215,717.	114,021.
	<u>1,792,585.</u>	<u>1,029,984.</u>
<b>Earnings before Undernoted Items</b>	<u>44,602.</u>	<u>89,888.</u>
Investment security gains	—	13,099.
Profit on real estate held for sale	667.	2,131.
	<u>667.</u>	<u>15,230.</u>
Income Taxes	45,269.	105,118.
<b>Net Earnings for the Period</b>	<u>22,634.</u>	<u>43,000.</u>
Retained Earnings at Beginning of Period	✓ 22,635.	62,118.
	<u>169,209.</u>	<u>129,945.</u>
Goodwill written off (note 2)	191,844.	192,063.
Dividends paid	10,000.	—
	<u>23,895.</u>	<u>24,000.</u>
Retained Earnings at End of Period	\$ 157,949.	\$ 168,063.
Earnings Per Share	✓ \$ .09	\$ .39

**Notes:**

1. Investment securities are recorded at cost. Quoted market value of stocks and bonds at April 30, 1973 amounted to \$3,307,822.

2. The cost of goodwill arising from the purchase of the business of Lauer Real Estate Limited in Kitchener has been written off on the advice of regulatory authorities.

3. The 1972 comparative figures have been restated in some instances in order to present them in a form comparable to those of 1973.

*Concord*



# District Trust Company

Report for the Six Months Ended April 30, 1974

## FINANCIAL HIGHLIGHTS

	1974	1973	percent increase
Total assets	\$65,327,442	\$43,506,466	50.2
Deposits & borrowings	61,170,609	39,840,210	53.5
First mortgage loans	56,035,315	32,884,732	70.4
Gross income	3,003,310	1,837,187	63.5
Net Earnings	85,222	22,635	276.5

District Trust Company  
Offers You These Services

Guaranteed Investment Certificates.

First Mortgage Loans — Residential, Commercial, Industrial.

Personal Loans.

Real Estate Sales — Residential, Commercial, Multi-Family.

Real Estate Appraisals and Property Management.

Trustee — Corporate and personal.

Estate Planning.

Executor and Administrator Services.

Investment Management.

Registered Retirement Savings Plans for Individuals.

Chequing Accounts — No service charges on cheques.

Deposit Accounts — High interest on minimum monthly balance compounded half-yearly.

Prepaid Deposit by Mail.

Safety Deposit Boxes.

## OFFICES TO SERVE YOU

### LONDON

Head Office — 484 Richmond Street 672-0610  
Covent Market Building 434-6024  
370 Queens Ave — Real Estate 672-9080

### STRATHROY

26 Front Street 245-1090  
12 Caradoc Street — Real Estate 245-3322

### GUELPH

Wellington and Gordon Street 821-2160

### ELMIRA

24 Arthur Street S. 669-5186

### KITCHENER

259 King Street W. 579-4020  
780 King Street W. — Real Estate 743-6355

### TORONTO

65 Queen Street West 363-1563

### BRANTFORD

233 Colborne St. — Real Estate 753-4105

## Report to Shareholders

These financial statements for the six months ended April 30, 1974 show that the growth reported in the first quarter of our fiscal year continued in all areas during the second quarter. Net earnings for the six month period were \$85,222 (36 cents per share) compared to \$22,635 (9 cents per share) for the same period last year.

The business climate in Canada has become even more unsettled since the end of April. Interest rates increased several times in rapid succession, and this higher cost of money may have a dampening effect upon earnings. Mortgage rates rose to record highs and many lending institutions placed limits on the value of individual mortgages. The higher cost of financing, in a more selective atmosphere, coupled with escalating property prices, slowed down unit sales in real estate. This should bring about a more stable market eventually, but will also have some short-term effect upon the performance of our realty business.

District Development Corporation Limited made progress in the acquisition of income producing properties and the development of existing holdings. The investment in this wholly-owned District Trust subsidiary was \$634,156 compared with \$62,992 a year ago.

District Trust's three Registered Retirement Savings plans had impressive growth last year. A copy of the annual report to February 28, 1974 has gone to all fund participants and is available on request to anyone wishing further information on these excellent tax-saving programs.

Raymond J. Hare  
President

May 30, 1974





# District Trust Company

## Balance Sheet — April 30, 1974 (unaudited)

	1974	1973
<b>Assets</b>		
Cash and short term deposits	\$ 1,392,766	\$ 5,805,063
Investment Securities (note 1)		
Bonds	4,829,412	3,321,903
Stocks	899,283	279,862
	5,728,695	3,601,765
Loans and advances		
Mortgages	56,035,315	32,884,732
Loans on securities	325,557	253,858
Personal loans	346,077	141,637
Advances to estates, trust and agencies	11,900	15,700
	56,718,849	33,295,927
Investment in District Development Corporation Limited	634,156	62,992
Rental properties, at cost less accumulated depreciation	533,067	541,102
Fixed assets, at cost less accumulated depreciation	284,672	173,866
Other assets	35,237	25,751
	<u>\$65,327,442</u>	<u>\$43,506,466</u>
<b>Liabilities</b>		
Deposits and borrowings		
Deposits	\$ 7,206,687	\$ 6,401,532
Short term certificates	1,370,626	249,070
Guaranteed investment certificates	52,593,296	33,189,608
	61,170,609	39,840,210
Other liabilities		
Bank Advances	350,000	200,000
Accounts payable and accrued liabilities	291,970	247,506
Income taxes payable	90,845	31,061
Mortgage payable	—	18,734
	732,815	497,301
Deferred income taxes	195,300	92,100
<b>Shareholders' Equity</b>		
Capital	2,389,470	2,389,470
Contributed surplus	379,436	379,436
General reserve	250,000	150,000
Retained earnings	209,812	157,949
	<u>3,228,718</u>	<u>3,076,855</u>
	<u>\$65,327,442</u>	<u>\$43,506,466</u>

## Statement of Earnings and Retained Earnings Six Months ended April 30, 1974 (unaudited)

	1974	1973
<b>Income</b>		
Interest from mortgages	\$ 2,367,974	\$ 1,383,103
Other mortgage revenue	61,754	35,150
Interest from other loans	27,039	15,465
Interest and dividends on investment securities	320,096	266,160
Real estate commissions	167,267	97,624
Estate, trust and agency fees	32,705	24,130
Other operating income	6,904	5,917
Income from rental properties	19,571	9,638
	<u>3,003,310</u>	<u>1,837,187</u>
<b>Expenses</b>		
Interest on deposits and borrowings	2,194,962	1,333,944
Salaries and staff benefits	404,961	200,244
Premises expenses	56,745	42,680
Other operating expenses	176,197	215,050
	2,832,865	1,791,918
<b>Earnings Before Income Taxes</b>	170,445	45,269
Income taxes	85,223	22,634
	<u>85,222</u>	<u>22,635</u>
<b>Net Earnings for the Period</b>	<u>124,590</u>	<u>169,209</u>
Retained earnings at beginning of period	209,812	191,844
Goodwill written off	—	10,000
Dividends paid	—	23,895
<b>Retained Earnings at End of Period</b>	<u>\$ 209,812</u>	<u>\$ 157,949</u>
<b>Earnings Per Share</b>	<u>\$ .36</u>	<u>\$ .09</u>

### Notes:

1. Investment securities are recorded at cost. Quoted market value of bonds and stocks at April 30, 1974 amounted to \$4,974,522. (1973, \$3,307,822)

2. These financial statements do not include the accounts of District Development Corporation Limited, a wholly owned subsidiary company. The net earnings of District Development Corporation Limited for the six months ended April 30, 1974 was \$7,586.





54  
**District Trust Company**  
**Report To Shareholders**

The financial statements for the year ended October 31, 1974 show that District Trust Company continued to grow even though the Canadian economy was rather unstable with rapidly changing interest rates, record inflation and business recessions in some areas.

New deposits of over \$12 million, plus cash and term deposits at the beginning of the year, permitted the mortgage portfolio to increase from \$44.7 million to \$62.9 million, much of this at very favourable earning rates. The interest paid on deposits also reached record levels so that the spread between interest earned and interest paid actually narrowed. This situation coupled with generally higher operating costs, moderated profits. In spite of these adverse conditions, earnings per share were 79 cents in 1974 compared with 44 cents in 1973.

District Development Corporation, our wholly-owned real estate subsidiary, doubled its profit and undertook two major projects. A new commercial building in Guelph was nearing completion at year end and will start contributing to income in 1975. A business property which has growth potential was purchased in the City of Sarnia. The Corporation is also seeking additional income properties in Ontario.

The real estate market, which was very active at the beginning of the year, experienced an abrupt slump in April and was below expectations for the rest of the year. We think that this field will improve in 1975.

Although the general economic outlook for Canada has many discouraging signs, we are confident that District Trust can and will continue to grow and that the long-term opportunities for your company are encouraging.

District Trust has assembled an experienced and enthusiastic management team and, with the continued contribution of our employees, will maintain its enviable reputation of efficient and courteous service to our clients, without whom none of our success would be possible.

Respectfully submitted,

B. I. Baldwin  
Chairman of the Board

R. J. Hare  
President.



**District Trust Company** and subsidiary company*(Incorporated under the laws of Ontario)***Consolidated Balance Sheet**OCTOBER 31, 1974 *(with comparative figures at October 31, 1973)*

<b>Assets</b>	<b><u>1974</u></b>	<b><u>1973</u></b>
<b>INVESTMENTS (note 1)</b>		
Loans and advances		
Mortgages	\$62,900,030	\$44,758,188
Loans on securities	389,951	267,605
Personal loans	328,140	165,723
Advances to estates, trusts and agencies	5,865	22,426
	<u>63,623,986</u>	<u>45,213,942</u>
 Cash and term deposits	 <u>2,175,746</u>	 <u>5,810,397</u>
 Securities (note 2)		
Bonds	3,278,477	5,184,755
Stocks	973,842	334,787
	<u>4,252,319</u>	<u>5,519,542</u>
 Investment properties (note 3)	 <u>1,603,690</u>	 <u>1,237,909</u>
	 71,655,741	 57,781,790
  <b>FIXED ASSETS (notes 1 and 4)</b>	  278,424	  284,309
 <b>OTHER ASSETS</b>	 <u>86,651</u>	 <u>77,962</u>
	<u><u>\$72,020,816</u></u>	<u><u>\$58,144,061</u></u>
 <b>ESTATES, TRUSTS AND AGENCIES</b>		
Securities, cash and other assets at company		
valuation 1974, \$15,487,000; 1973, \$14,040,000		





## Liabilities

	<u>1974</u>	<u>1973</u>
<b>DEPOSITS AND BORROWINGS</b>		
Demand deposits	\$ 5,357,245	\$ 4,953,494
Guaranteed retirement savings plan deposits	1,488,605	924,152
Short term certificates	1,682,586	479,861
Guaranteed investment certificates	<u>58,402,871</u>	<u>47,994,652</u>
	<u>66,931,307</u>	<u>54,352,159</u>
 <b>OTHER LIABILITIES</b>		
Accounts payable and accrued liabilities (note 1)	409,265	312,531
Income taxes payable	29,000	
Mortgages payable (note 5)	<u>153,915</u>	<u>134,932</u>
	<u>592,180</u>	<u>447,463</u>
 <b>DEFERRED INCOME TAXES (note 1)</b>	<u>355,300</u>	<u>198,600</u>
 <b>Shareholders' Equity</b>		
Capital Stock (note 6)		
Authorized — 500,000 shares of \$10 each		
Issued — 318,127 (1973 — 238,947) shares	3,181,270	2,389,470
 <b>CONTRIBUTED SURPLUS</b>	379,436	379,436
 <b>RETAINED EARNINGS</b>	<u>581,323</u>	<u>376,933</u>
	<u>4,142,029</u>	<u>3,145,839</u>
	<u>\$72,020,816</u>	<u>\$58,144,061</u>

Approved by the Board:

B. I. Baldwin, Director

R. J. Hare, Director





**District Trust Company** and subsidiary company  
**Consolidated Statement of Income**  
YEAR ENDED OCTOBER 31, 1974 (with comparative figures for 1973)

	1974	1973
Income (note 1)		
Investments		
Mortgages	\$5,453,679	\$3,351,837
Other loans and advances	66,251	33,204
Term deposits	201,354	323,888
Bonds	316,042	239,616
Stocks	36,262	9,393
Investment properties, net (note 3)	74,215	41,287
	<u>6,147,803</u>	<u>3,999,225</u>
 Fees and commissions		
Estates, trusts and agencies	34,086	46,635
Real estate	404,210	340,722
	<u>438,296</u>	<u>387,357</u>
 Other income	59,650	51,263
	<u>6,645,749</u>	<u>4,437,845</u>
 Expense		
Interest on deposits and borrowings		
Demand deposits	263,355	175,648
Guaranteed retirement savings plan deposits	107,584	54,060
Short term certificates	120,500	21,139
Guaranteed investment certificates	4,378,686	2,817,501
	<u>4,870,125</u>	<u>3,068,348</u>
Salaries and staff benefits	638,253	482,242
Commissions paid to real estate salesmen	219,337	166,880
Net premises expense (note 4)	137,821	109,323
Amortization of goodwill arising on purchase of a real estate business		10,000
Other expense	390,123	389,039
	<u>6,255,659</u>	<u>4,225,832</u>
 Income before income taxes	<u>390,090</u>	<u>212,013</u>
 Income taxes (note 1)		
Current	29,000	
Deferred	156,700	106,500
	<u>185,700</u>	<u>106,500</u>
 NET INCOME FOR THE YEAR	<u>\$ 204,390</u>	<u>\$ 105,513</u>
 EARNINGS PER SHARE (note 1)	<u>\$ .79</u>	<u>\$ .44</u>





**District Trust Company** and subsidiary company  
**Consolidated Statement of Retained Earnings**  
YEAR ENDED OCTOBER 31, 1974 *(with comparative figures for 1973)*

	<u>1974</u>	<u>1973</u>
Balance at beginning of year		
As previously reported	\$126,933	\$169,209
Transfer of general reserve	250,000	150,000
As restated	<u>376,933</u>	<u>319,209</u>
Net income for the year	204,390	105,513
	<u>581,323</u>	<u>424,722</u>
Dividends		47,789
BALANCE AT END OF YEAR	<u>\$581,323</u>	<u>\$376,933</u>

### **Auditors' Report**

To the Shareholders of District Trust Company

We have examined the consolidated balance sheet of District Trust Company and subsidiary company as at October 31, 1974 and the consolidated statements of income and retained earnings for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at October 31, 1974 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

London, Ontario  
December 19, 1974

Thorne Gunn & Co.  
Chartered Accountants





# **District Trust Company** and subsidiary company

## **Notes to Consolidated Financial Statements**

YEAR ENDED OCTOBER 31, 1974

### **1. ACCOUNTING POLICIES**

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of District Development Corporation Limited, a wholly-owned subsidiary company. Significant inter-company accounts and transactions have been eliminated.

#### **Investments**

Bonds and stocks are stated at cost plus accrued income.

Mortgages are stated at cost, which includes amounts advanced, accrued interest, and other charges, less repayments. The amount of accumulated payments by mortgagors to the company in respect of property taxes, net of such taxes paid by the company, is included in "Accounts payable and accrued liabilities".

Other loans and advances are stated at cost plus accrued interest less repayments.

Investment properties are stated at cost less accumulated depreciation. Depreciation is provided by the declining balance method using the following annual rates:

Buildings	5%
Equipment	20%

#### **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and amortization. Depreciation is provided by the declining balance method using the following annual rates:

Buildings	5%
Office equipment and furnishings	20%
Automotive equipment	30%

Amortization of leasehold improvements is provided by the straight-line method over the term of the leases plus the first renewal option period.

#### **Income Taxes**

The companies reflect in earnings income taxes currently payable and also charge earnings with income taxes deferred by

- i) Claiming capital cost allowances in excess of depreciation recorded in the accounts
- ii) Claiming for income tax purposes an allowance for possible future losses on loans and on bonds held in the guaranteed account in excess of the provision recorded in the accounts.

#### **Earnings Per Share**

Earnings per share are calculated using the weighted average of shares outstanding during the year.

#### **Other**

Fees from estate, trust and agency accounts are recorded using the accrual basis of accounting. Securities and other property held by the trust department in a fiduciary or agency capacity are not included as assets in the consolidated balance sheet.





**District Trust Company** and subsidiary company  
**Notes to Consolidated Financial Statements (continued)**  
 YEAR ENDED OCTOBER 31, 1974

**2. SECURITIES**

	1974		1973	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Bonds				
Government of Canada	\$1,335,586	\$1,215,687	\$1,462,434	\$1,387,512
Provinces of Canada	653,618	495,695	653,618	534,121
Municipal	125,851	97,413	125,851	104,314
Other	1,163,422	1,023,077	2,942,852	2,889,205
	<u>3,278,477</u>	<u>2,831,872</u>	<u>5,184,755</u>	<u>4,915,152</u>
Stocks	973,842	754,831	334,787	313,106
	<u>\$4,252,319</u>	<u>\$3,586,703</u>	<u>\$5,519,542</u>	<u>\$5,228,258</u>

**3. INVESTMENT PROPERTIES**

	1974		1973	
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>	<u>Net</u>
Land	\$ 914,405	\$	\$ 914,405	\$ 771,861
Buildings	773,633	87,894	685,739	466,048
Equipment	3,799	253	3,546	
	<u>\$1,691,837</u>	<u>\$ 88,147</u>	<u>\$1,603,690</u>	<u>\$1,237,909</u>

Net income from investment properties has been reduced by depreciation of \$25,074 (1973, \$14,748).

**4. FIXED ASSETS**

	1974		1973	
	<u>Cost</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net</u>	<u>Net</u>
Land	\$ 25,088	\$	\$ 25,088	\$ 25,088
Buildings	147,849	21,402	126,447	128,444
Leasehold improvements	55,227	23,958	31,269	35,382
Office equipment and furnishings	218,681	125,292	93,389	92,208
Automotive equipment	5,872	3,641	2,231	3,187
	<u>\$ 452,717</u>	<u>\$ 174,293</u>	<u>\$ 278,424</u>	<u>\$ 284,309</u>

Depreciation of \$36,704 (1973, \$29,747) is included in net premises expense.





**District Trust Company** and subsidiary company  
**Notes to Consolidated Financial Statements (continued)**  
YEAR ENDED OCTOBER 31, 1974

**5. MORTGAGES PAYABLE**

Mortgages payable relate to the activities of District Development Corporation Limited:

	<u>1974</u>	<u>1973</u>
9% mortgage maturing September 28, 1983	\$ 95,806	\$ 134,932
10½% mortgage maturing May 15, 1979	58,109	
	<u>\$ 153,915</u>	<u>\$ 134,932</u>

**6. CAPITAL STOCK**

In 1974, 79,180 shares of capital stock were issued for \$10 cash per share pursuant to an offer to shareholders of rights to subscribe for one additional share for each three shares held.

The company has set aside 10,000 shares of capital stock for the granting of options to employees. At October 31, 1974, 8,000 share options were outstanding, exercisable at a price of \$12.50 per share to December 31, 1976. The potential dilution if these options are exercised would not materially affect earnings per share.

**7. OTHER STATUTORY INFORMATION**

The aggregate direct remuneration paid to directors and officers amounted to:

	<u>1974</u>	<u>1973</u>
Officers	\$ 100,683	\$ 92,888
Directors	\$ 2,560	\$ 5,260

**8. COMPARATIVE FIGURES**

The 1973 comparative figures have been reclassified to conform with the financial statement presentation adopted for 1974.





## **District Trust Company**

### **Customer Services**

#### **Chequing Accounts**

Write as many cheques as you require with no service charge with a small minimum monthly balance.

#### **Savings Accounts**

We pay high interest on your savings. You may withdraw any time in person or by arrangement.

#### **Deposit By Mail**

You may mail your deposits to either account at your convenience. Mail-in deposit forms are available on request.

#### **Guaranteed Investment Certificates**

G.I.C.'s earn the highest interest — a guaranteed investment.

#### **Retirement Savings Plan**

Savings designated for retirement income earn a high rate of interest annually and reduce current income tax payments. Contributions may be made progressively up to 60 days after the end of the year and still reduce income tax for the previous year.

#### **Estate Planning**

District Trust provides free confidential advice on personal financial matters, particularly regarding maximum future tax benefit.

#### **Executors and Trustees**

The appointment of District Trust as executor or trustee of your estate assures sound and dependable administration with maximum benefits to your family.

#### **Safety Deposit Boxes**

Vault facilities and safety deposit boxes at District Trust assure the safety of your valuables for pennies a day.

#### **Investment Management**

Because District Trust combines the experience of many financial experts, we can provide management of your investments expertly and rapidly.

#### **Mortgages**

District Trust provides financial assistance with residential, commercial or industrial construction, purchase or expansion.

#### **Real Estate Services**

We will acquire for you or sell for you any type of residential, commercial or industrial property.

#### **Appraisal Services**

Professional appraisals of all types of real property.



